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EASTERN DISTRICT OF CALIFORNIA
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UNITED STATES BANKRUPTCY COURT

EASTERN DISTRICT OF CALIFORNIA

IN RE: SOUTH Y FIREPLACE, INC. dba WEST COAST FENCE CO. INC., Debtor.	**NO: 10-47419-A-7** **DC No.: SLF 5** **AMENDED DECLARATION OF GARY R. FARRAR IN SUPPORT OF MOTION FOR AUTHORIZATION TO SELL VEHICLES AT PUBLIC AUCTION** **Date: February 22, 2011** **Time: 10:00 a.m.** **Place: Department A** **The Honorable Michael S. McManus**

I, GARY R. FARRAR, declare:

1. I am the Chapter 7 Trustee in this case. I submit this declaration in support of my motion for authorization to sell eight vehicles (the "Vehicles") at public auction. I have personal knowledge of the facts contained in this Declaration and, if called on, could and would testify to them.

2. The Debtor scheduled the Vehicles as follows:

a. 1995 Ford Dump Truck, which the Debtor valued at $3,150.00.

b. 1999 Ford F-350, which the Debtor valued at $3,875.00.

c. 1997 Chevy Flat Bed, which the Debtor valued at $2,760.00.

d. 2003 Ford Flat Bed, which the Debtor valued at $13,325.00.

e. 2005 Chevy Silverado, which the Debtor valued at $6,365.00.

f. 2001 Ford F-150, which the Debtor valued at $1,910.00.

g. 2004 Ford F-250, which the Debtor valued at $16,795.00.

h. 1998 Volvo S-70 T5SE, which the Debtor valued at $2,960.00.

3. The Vehicles are stored at Ernst & Associates Auctioneers, Inc.

4. The Debtor did not schedule any liens against the Vehicles and the Trustee is unaware of any liens.

SALE OF THE PROPERTY AT PUBLIC AUCTION

5. I believe, based on my knowledge and on the evaluation of the Vehicles by Ernst, that there is equity in the Vehicles and a sale of the Vehicles at public auction is the best method of liquidating them for the benefit of the estate.

6. I believe that by using an auction process, the Vehicles will be exposed to a large number of prospective purchasers and, for that reason, will likely be sold for the best possible price. Ernst engages in extensive advertising, including highway billboards, television, and newspaper advertising, and it mails advertising brochures to its subscriber list of approximately 6000 people.

7. If the Court approves this Motion, I intend to sell the Vehicles at public auction at Ernst's first available auction date. The Vehicles will be sold on an "AS IS" basis without any warranty. The proposed public sale will be held on the first available Saturday after the Court approves this motion, at 9:00 a.m. at Ernst, located at 824 Kiernan Avenue, Modesto, California 95356. Interested persons may inspect the Vehicles at Ernst on the Friday preceding the sale between 9:00 a.m. and 4:00 p.m. Information regarding the sale or subsequent sale dates, if any, may be obtained by telephoning Ernst, at (209) 527-7399.

8. I intend to accept the highest reasonable bid. If, in the exercise of my

business judgment, no reasonable bid is received, the Vehicles may be held for subsequent auction or private sale without additional notice.

9. I believe the sale of the Vehicles at a public auction is in the best interests of the creditors because it is likely to obtain the best possible price and should be approved by the Court under Bankruptcy Code Section 363.

AUCTIONEER COMPENSATION

10. I request authorization to pay Ernst a 15 percent commission and to reimburse it for reasonable expenses directly from the proceeds of sale, and for Ernst to collect a 15 percent buyer's fee directly from the buyer. I believe that this is a customary practice for the auction sale of personal property and one which encourages the use of auction professionals to assist with bankruptcy sales of property. I will file a report of the sale with the Court.

11. In addition, Ernst incurred expenses totaling $1410.00 to pick up the Vehicles from the Debtor's facilities in San Jose and Ripon and transport them to Ernst's location in Modesto in preparation for sale. These expenses consist of $1280.00 to transport vehicles from San Jose and $130.00 to transport vehicles from Ripon. True and correct copies of the November 22, 2010, and November 24, 2010, invoices submitted to me by Ernst that detail the expenses it incurred in collection and transportation of the Vehicles are attached as Exhibit A to the exhibits filed concurrently.

I declare under penalty of perjury that the foregoing is true and correct

Executed on January 26, 2011, at Modesto, California.

GARY R. FARRAR